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Annual report of the Administrator on the strategic plan: performance and results for 2013

Summary

The Executive Board, in its decision 2013/11, requested UNDP in future annual reports "to continue improving its results reporting systems to ensure more evidence-based information on the achievement of expected results at an aggregate level, including an analytical narrative on the development contributions of UNDP as well as on challenges identified".

The Economic and Social Council, in resolution 2013/5, requested the United Nations funds and programmes "to consolidate their current annual reporting on the implementation of the quadrennial comprehensive policy review within their reporting on the implementation of their strategic plans".

The Executive Board may wish to take note of the annual report and its annexes, and provide guidance for the first annual report on the 2014-2017 Strategic Plan to be presented in June 2015.

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I. Introduction

1. This report presents an analysis of results and UNDP performance for 2013. It follows the cumulative review of the UNDP Strategic Plan, 2008-2013, presented to the Executive Board at the annual session of 2013, and represents the last year of reporting on this Strategic Plan.

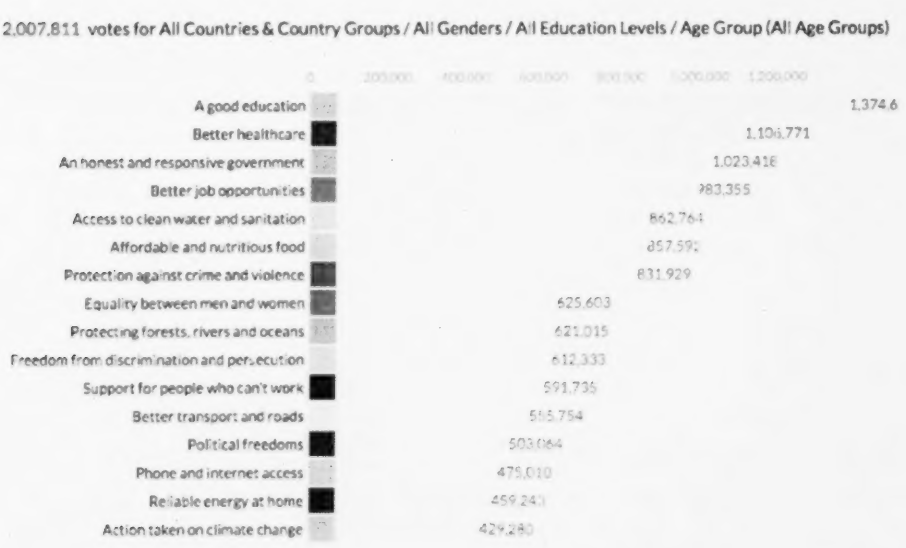
II. Strategic positioning

A. New developments and emerging trends

2. As the end point of the Millennium Development Goals draws near, it is clear that much of the world is better fed, educated, has more access to health care and stands less of a chance of dying in infancy that in 1990. At that time, 43 per cent of the developing world lived on $1.25 a day, but by 2010 that figure had dropped to 21 per cent. These are impressive gains but they are not shared equally across all regions or even equally within countries.

3. In 2013, the issues of economic growth and inequality became increasingly urgent with both developing and developed countries sharing concern over global trends showing that the richest 8 per cent of the world's population now earns one half of the world's income. Concern in developed countries manifested around stagnating income levels, while developing countries witnessed increases in income inequality despite a backdrop of healthy growth rates. The 2013 worldwide citizens' debate around the next generation of sustainable development goals clearly highlighted the disquiet of ordinary people around rising inequalities, the ability to access basic needs such as health and education, secure decent work to support families and have a voice in how they are governed. The World Economic Forum identified widening income disparities as the second greatest worldwide risk, with great potential for destabilization and insecurity.

Figure 1. MY World Survey Results (as of 1 May 2014)



4. Africa was the world's second fastest growing region worldwide in 2013, but rates of poverty reduction are likely to be insufficient to enable the region to reach the target of halving extreme poverty by 2015. In sub-Saharan Africa, the destabilizing effects of development neglect and associated political volatility led to the collapse of the State in the Central African Republic and a sudden and large-scale deterioration of conditions in South Sudan.

5. Globally, there were increasing calls from the public for honest and responsive government, as illustrated through the 'My World' survey results. In the Middle East, the aftermath of the Arab uprising continued to be felt. In Tunisia, people celebrated the adoption of a new Constitution that was informed by participatory citizen-led dialogue, with a strong emphasis on human rights, gender equality and the protection of the environment. The Syrian Arab Republic, by contrast, degenerated into violent conflict constituting the world's worst humanitarian crisis, with spill-over effects rippling throughout the region.

6. The debate around international commitments to sustainable development continued at the same time that the role of climate change in exacerbating natural disasters became more evident, with the most devastating illustration of the increased ferocity of global weather patterns seen in the Philippines towards the close of the year. Where natural disasters occurred in politically stressed parts of the world, the task of recovery and rebuilding became more challenging.

B. UNDP response

7. Against the backdrop of uneven economic growth and growing inequality in many countries, UNDP focused on addressing the institutional and structural barriers to achievement of the Millennium Development Goals, as well as inclusive pro-poor growth through targeted interventions such as the promotion of sustainable livelihoods and the prioritization of social protection for vulnerable groups. UNDP addressed issues of voice and participation with the aim of broadening civil engagement to reduce political and social exclusion. UNDP support to the post-2015 development agenda provided unprecedented channels for citizen engagement in the global, regional and national debates around the next generation of development goals. Natural resource management, access to energy, and low-emission and climate-resilient growth remained strong areas of UNDP focus, integral to the achievement of sustainable development. Key results are highlighted below.

8. In 2013, the deteriorating security situation in the Central African Republic led to a cessation of many UNDP activities. UNDP supported the development of a transition plan and implementation of a programme focusing on community security, livelihoods and local governance as part of early recovery efforts. In South Sudan, planned programme implementation stalled in response to political crisis mid-way through the year that developed into frank conflict at year-end. UNDP has focused on addressing underlying governance issues, although follow-up to the 2012 policy dialogues with subnational governments and civil society has been affected by the conflict.

9. In response to the deepening crisis in Syrian Arab Republic, UNDP established a subregional facility in Amman, Jordan to coordinate a coherent United Nations response. UNDP scaled up country-level responses to focus on emergency livelihoods and building the resilience of national authorities and communities hosting large numbers of refugees. In Lebanon – home to over 1 million Syrian refugees - UNDP launched a Host Community Support Programme; and in Jordan, with UNDP support, a national coordination platform and a National Resilience Plan were established. Following Typhoon Haiyan in the Philippines, the UNDP early recovery programme provided nearly 50,000 people with temporary employment, with many workers participating in a mobile phone money-transfer notification system set up by UNDP, a national bank and an international mobile phone operator. UNDP, in partnership with the World Bank and the European Union, supported the post-disaster needs assessment and strengthened the capacity of the Government to plan the response, drawing on the expertise of Indonesian officials involved in the reconstruction effort in Aceh-Nias.

III. Development results - overview

Table 1. Key results 2013			
Sector			
Livelihoods	• 6.47 million jobs created, over half for women, in 109 countries. • Positively influenced 99 policy changes in 32 countries and 80 budget changes in 16 countries.	11.4	90.5%
	• 3.2 million work days generated in short-term labour in 14 crisis-affected countries, 200,000 crisis-affected people benefited, 40% women. • 50% of those assisted transitioned to more stable income and employment. • Positively influenced 18 policy changes in 10 countries and 23 budget changes in eight countries.	5.5	N/A*
Social protection	• 15 million people benefiting from more inclusive social protection in 72 countries. • 1.3 million people currently accessing life-saving anti-retroviral treatment for HIV/AIDS – one in seven of all receiving treatment worldwide. • Positively influenced 67 policy changes in 30 countries and 569 budget changes in 20 countries.	9.4	84.9%
MDG achievement & post-2015 agenda	• 12 countries implemented MDG Acceleration Frameworks (MAFs) in 2013, for a total of 56 countries to date benefiting from targeted support to accelerate achievement of the Goals (11% additional progress including more jobs for women, and stronger environmental safeguards in countries with MAF in place as compared to non-MAF countries). • Two million people drawn into participatory e-discussion on the next generation of sustainable development goals. • 88 national post-2015 consultations globally supported by UNDP. • Positively influenced 127 policy changes in 41 countries and 114 budget changes in 28 countries.	18.6	86%
Elections	• 43 million new voters added in 2013 and 68 countries supported. • 96 million people voted in UNDP-assisted elections, 41% women. • Positively influenced 62 policy changes in 23 countries and six budget changes in five countries.	7.9	75.4%
	• 3.4 million new voters were added in Afghanistan, 34.5% women. • Positively influenced six policy changes in five countries and seven budget changes in three countries.	3.1	N/A*
Access to justice, security and rule of law	• Over 4 million people in 117 countries experienced improved access to justice and legal aid, 49% women. • 36 countries supported to fulfil international human rights commitments. • 17 countries enacted law reform reducing stigma and discrimination against HIV-affected and infected people. • Positively influenced 97 policy changes in 36 countries and 26 budget changes in eight countries.	29.2	82.7%
Climate and energy	• Carbon dioxide equivalent-emissions reduced by 116–142 million tonnes, the equivalent of 30–37 coal fired power stations, in 32 countries. • 3.5 million people in 12 countries benefited from access to modern energy services from 2,900 rural energy enterprises, creating employment and transforming lives. • Positively influenced 67 policy changes in 34 countries and 36 budget changes in 12 countries.	4.2	85.1%
Natural resource management	• Across more than 250 million hectares in 101 countries, communities benefited from more sustainable management of ecosystems to support livelihoods. • Positively influenced 71 policy changes in 28 countries and 41 budget changes in 10 countries.	5.7	

Sector	
Operational efficiency	• Foreign exchange services project created one-time savings of $22.7 million and a minimum of $1.2 million annually, thereafter, for participating agencies. • Implementation of e-tendering expected to deliver recurring annual savings of $500,000.
Monitoring and evaluation	• 42 per cent of country offices had at least one monitoring and evaluation specialist, compared to 23 per cent in 2012. • Quality ratings of decentralized evaluations increased from 32% in 2012 to 45% in 2013.
Transparency	• UNDP earned the highest ranking among multilateral organizations in the Publish What You Fund Aid Transparency Index for expanded and more frequent publishing to International Aid Transparency Initiative (IATI). UNDP assumed coordination role of the IATI secretariat as part of a consortium.

**Number of indicators in relevant countries too small to calculate rate*

Table 2. Areas for development

Sector			
South-South and triangular cooperation	• 127 countries supported in South-South and triangular cooperation initiatives, almost 90% of which were with national or subnational governments and 60% of which were a country-to-country exchange.	N/A	N/A
	Challenges o *Range of partnerships currently limited largely to Governments.* o *South-South cooperation not explicitly integrated into design of programmes.* o *Fragmented policy and legal frameworks.*		
	Action: South-South cooperation strategy under development – available by December 2014.		
Urbanization	• 32 countries benefited from improved urban service delivery and urban planning and governance including disaster management, an increase of one third over 2012.	2.8%	81.2%
	Challenges o *Sector has seen loss of organizational volume and scope over past decade.* o *Support currently small-scale, expansion required to meet Strategic Plan expectations.* o *Fragmented approach to complex urban problems.* o *Little emphasis on innovation.*		
	Action: development of integrated urban management strategy, emphasizing urban innovation leading to global support programme.		
Youth	• 39 countries targeted to boost youth employment. • 1.5 million youth reached and their voices captured on post-2015 development agenda through 'My World' survey.	N/A	N/A
	Challenges o *Lack of sex- and age-disaggregated data and research on impact.* o *Few targeted initiatives and comprehensive projects.* o *Lack of national and regional frameworks and polices.* o *Range of partnerships limited.*		
	Action: (a) enhance internal and external coordination on youth issues; (b) implement youth strategy outcomes; (c) develop outreach and advisory mechanisms.		

UNDP Strategic Plan, 2014 – 2017

10. Much of 2013 was dedicated to the development and approval of the new Strategic Plan, 2014-2017, and the Integrated Results and Resources Framework, which were prepared within the framework of the quadrennial

comprehensive policy review of operational activities for development (QCPR). The Strategic Plan provides a unifying vision to help countries achieve the simultaneous eradication of poverty and significant reduction of inequalities and exclusion. Emerging development issues such as urbanization, access to energy, natural resource management, citizen security, social protection and the necessity to plan and programme in an environment characterized by high levels of risk and volatility have been explicitly integrated. South-South and triangular cooperation are recognized as central to the work of UNDP. Plans for institutional transformation have been initiated, including a revisiting of the practice architecture, which will be replaced with a cross-disciplinary, issues-based approach. Core and non-core resources have been brought together in an integrated budget. An essential component of the transition to the new strategic plan is programme alignment, a systematic and phased process which will ensure that all UNDP programmes are aligned to the new Strategic Plan, providing strong and focused support to the achievement of national priorities by 2015.

IV. Development results in detail

What is the UNDP progress rate?
The **Progress Index** provides a measure of performance based on *national outcome indicators* in Country Programme Document results frameworks. See annexes for more information on how it is calculated.

11. The Strategic Plan 2008–2013 grouped 25 corporate outcomes in four focus areas of poverty reduction and Millennium Development Goal achievement, democratic governance, crisis prevention and recovery, and environment and sustainable development. The new Strategic Plan will concentrate on seven outcomes within three substantive areas of work: (a) **sustainable development pathways**; (b) **strengthening inclusive and effective democratic governance**; and (c) **building resilience** for the marginalized and excluded and people living in poverty. To show how UNDP work under the previous strategic plan will set a foundation for the new plan, the 2013 development results are presented in this report according to these three areas of work. The organization's main 2013 results are highlighted within each section, recognizing that many themes are closely interconnected and results are achieved through inter disciplinary work across the three areas. For example, results under 'employment and livelihoods' are presented under both sustainable development pathways (for non-crisis affected settings) and resilience- building (for crisis-affected settings) to show how results differ depending on development context and objective.

A. Sustainable development pathways

Overview

12. UNDP contributed to the formation of sustainable development pathways (SDPs) in 154 countries through initiatives representing 44 per cent of UNDP annual expenditures. Over 25 million lives were affected directly and indirectly via employment and livelihood generation, urban development, policy development for social protection and sustainable growth, and natural resource management policy and standard setting. Seventy-two per cent of interventions had direct impact on people's lives through support to implementation, 23 per cent addressed policy change and 5 per cent emphasized change through awareness-raising. UNDP strengthened country-level policymaking through support to the development of 1,254 national plans, 488 policies, 995 diagnostics and 853 budgets to advance rights-based policy reform and pro-poor growth, ease bottlenecks to achieving the Millennium Development Goals, generate decent work and prioritize inclusion in social protection. UNDP contributed to 987 strategies, action plans and programmes to support the development of livelihoods and sustainable businesses, and strengthen the capacities of civil society organizations and national institutions.

13. Greatest progress was achieved by 2013 in the generation of employment and livelihoods (90.5 per cent) which accounted for 36 per cent of UNDP work in the area, followed by urban development at 87.8 per cent progress (6 percent of the SDP area), and natural resource management policies and standards at 85.1 per cent progress (14 per cent of the SDP area). UNDP was most successful when combining policy development and budgeting support to Governments and least successful when focusing solely on diagnostics and planning processes. On promotion of inclusion, UNDP focused most successfully on work with the economically disadvantaged, women, and youth.

Employment and livelihoods

14. In 2013 6.47 million jobs were created as a result of UNDP support, over half of which were for women, with over 58 per cent generated in **China** and **Bangladesh**. UNDP contributions – focusing on women, youth and vulnerable and excluded groups – comprised 11.4 per cent of total expenditures in 2013.

15. In **the Former Yugoslav Republic of Macedonia**, UNDP worked with national partners to help establish 1 of 10 new businesses set up in 2013 through an entrepreneur programme: 33 per cent of the new firms were formed by women and 29 per cent by young people. In **Myanmar**, UNDP microfinance, decentralization and social protection initiatives supported jobs and livelihoods for over 500,000 people, over 98 per cent of whom were rural women, covering 6,000 villages. UNDP increased efforts to address the needs of youth through employment and entrepreneurship, protection of rights, civic engagement and political inclusion with initiatives in 39 countries. In **Guinea**, collaboration between the European Union, the Government of Spain and UNDP resulted in 33,000 permanent jobs for young people (30 per cent for women), and microfinance initiatives helped 5,000 disadvantaged youth and women out of poverty through small and medium-sized enterprise creation. Over 124,000 young people in **Argentina** were able to upgrade their job skills as part of a social programme for children of the unemployed. UNDP helped 7,850 youths to set up businesses, find employment and receive business skills training in **Algeria**, **Egypt**, **Jordan**, **Morocco**, **Tunisia** and **Yemen**.

16. The 2013 'Evaluation of UNDP Contribution to Poverty Reduction' noted "strategies to improve livelihoods ... [should be]...embedded in a system of governance that empowers the people and creates entitlements that people can defend...". UNDP efforts in **Bangladesh** followed this approach, enabling 3 million urban poor people to define action plans and manage contracts for delivering services to meet community needs. Women held 90 per cent of the decision-making positions in the local committees.

Urban development

17. In 2013, UNDP supported urban development in 32 countries – up from 24 countries in 2012 – representing 2 per cent of total expenditures. Contributions included public-private partnerships for urban service delivery, disaster management, governance, waste and water management, security, municipal youth policy, decentralization and local economic development. UNDP support to **Montenegro** in the development of spatial planning has resulted in the adoption of 20 spatial plans for municipalities and alternative solutions for legalization of informal settlements. In **Nepal**, UNDP established 88 private-public partnerships in waste management and sanitation, biogas and solar lighting, urban recreational facilities and markets.

18. Collaboration between UNDP and UNFPA across 26 cities produced municipal HIV action plans. Results achieved include improved health service delivery, reduced stigma and discrimination and more favourable legal and policy frameworks for vulnerable and excluded groups. People in **Ukraine** secured better services for HIV prevention and treatment through a patient-led monitoring system. Equal rights for marginalized populations were achieved in Cebu, **Philippines** with the passage of municipal anti-discrimination legislation.

Social protection

19. Over 15 million beneficiaries across 72 countries in 2013 had improved access to social protection schemes as a result of UNDP support, totalling 9.4 per cent of annual expenditures. UNDP efforts enhanced countries' capacities to link labour policies and markets to more inclusive social protection policies. In **Mexico**, UNDP worked with the Government to show that a proposed value added tax would push 14 million people into extreme poverty. The policy advice resulted in more nuanced reforms that minimized burdens on the poor and that balanced economic and social development.

20. UNDP managed grants from the Global Fund to Fight AIDS, Tuberculosis and Malaria in 26 countries with expenditures totalling $414 million in 2013. UNDP contributions are currently helping 1.3 million people access life-saving antiretroviral treatment, equal to approximately one in seven of those on treatment worldwide. As of January 2014, Global Fund grants managed by UNDP achieved the highest level of

performance ratings since the beginning of the partnership; 53 per cent of grants were rated A1 or A2, compared to 37 per cent for grants not managed by UNDP. In six countries in 2012-2013, UNDP completed capacity development activities and transitioned its grant management role to national partners.

Sustainable growth

21. UNDP contributions to ensuring **sustainable growth** supported 135 countries in 2013, comprising 13.5 per cent of annual expenditures. UNDP approaches were integrated across economic, social and environmental objectives to protect and manage the natural resource base.

22. UNDP continued to address national development planning and policy reform through the MAF. UNDP contributed to the development of MAF action plans in an additional 12 countries in 2013, bringing assistance to a total of 56 countries since 2010. Analysis shows that countries with a MAF have, on average, an 11-per-cent higher progress rate; a contributing factor is likely the greater level of government ownership. Analysis also shows that more UNDP-supported jobs were created in countries with MAFs and that a higher percentage of those jobs were for women. MAF countries showed a greater presence of environmental and social safeguards – which 71 per cent of countries indicated they had in place compared to 62 per cent of countries without a MAF – and slightly stronger success in gender results.

23. In 2013 UNDP worked with approximately 100 countries to promote renewable energy and energy efficiency and access. In partnership with the Bill & Melinda Gates Foundation and utilizing experiences from **Burkina Faso**, **Mali** and **Senegal**, more than 3.5 million people in rural areas across 12 countries benefited from access to modern energy services from 2,900 rural energy enterprises, creating employment and transforming lives.

Natural resource management

24. In 2013, UNDP supported 117 countries to improve capacities and systems for natural resource management, representing 4.3 per cent of total expenditures. UNDP addressed environmental sustainability and its associations with poverty and inequality, improved access to natural resources essential for employment and livelihoods, and capacities to achieve low-emission and climate-resilient growth.

25. UNDP worked with the Global Environment Facility (GEF) in 101 countries to support the poor and vulnerable who depend on diverse and sustainable ecosystems. These contributions directly affected more than 250 million hectares of land and sea by promoting sustainable land and forest management, improving production practices, and strengthening livelihoods. Over the past two years, the GEF Small Grants Programme positively influenced 465 protected areas and indigenous and community conservation areas across 12.7 million hectares. UNDP-GEF projects engaged over 125,600 community members and improved management of over 76,000 hectares of grazing land.

26. UNDP helped to establish dialogue platforms to reduce deforestation and increase forest carbon in supply chains in **Costa Rica** and **Dominican Republic**, and increased access to finance for biodiversity conservation in **Chile**, **Guatemala** and **Peru**. Under a UNDP-supported national programme, Indonesia extended a two-year moratorium on forest and peat land concessions. Through the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD) partnership with the Food and Agricultural Organization of the United Nations (FAO) and United Nations Environment programme, UNDP supported 30 countries to prepare for REDD+, addressing climate mitigation actions to reduce emissions from forest activities and enhance forest carbon stocks.

27. The UNDP-Coca Cola Company 'Every Drop Matters' partnership assisted communities in 22 countries across the Europe and Commonwealth of Independent States (CIS), Asia-Pacific and Arab States regions in developing and delivering locally owned sustainable solutions to water, sanitation and climate change adaptation challenges. Over 78,000 people received access to clean water and sanitation services, 15,000 people increased their capacity to adapt to climate change, and 400,000 people benefited from awareness-raising activities on the responsible use of water resources.

B. Inclusive and effective democratic governance

Overview

28. In 2013, UNDP worked with 140 countries in the area of inclusive and effective democratic governance through initiatives representing 22 per cent of annual expenditures. This area of work covers participation in political processes including elections; justice, security and rule of law; and governance and public service delivery. Implementation interventions with direct impact on people's lives predominated (36 per cent of total assistance), followed by policy change (32 per cent) and awareness-raising (31 per cent). UNDP contributed to 1,173 pilot programmes and 445 action plans and programmes to strengthen public service delivery and government capacity development, including parliaments and human rights institutions. UNDP policy contributions supported the development of 360 diagnostics, 270 legislative processes, 261 plans and 217 policies to strengthen public administration, increase access to public services and justice, and reduce corruption.

29. Overall progress in this area was high, at 87 per cent, with the greatest progress achieved in the areas of justice, security and rule of law and participation in political processes including elections, which together accounted for 80 per cent of UNDP expenditures in this area. In support of awareness-raising, UNDP was most successful in expanding women's inclusion and least successful in expanding access for people of different sexual orientations.

Participation in political processes and elections

30. The UNDP role in supporting electoral processes throughout the electoral cycle has grown significantly over the past decade, from 19 countries in 2008 to 68 countries in 2013. In 2013, UNDP support led to over 43 million new voters being registered, including over 19 million in Africa, and an additional 96 million people voting in elections, including 41 per cent female voters.

31. An independent thematic evaluation in 2012 stated that the contributions of UNDP resulted in more professional electoral management and more inclusive processes. It also highlighted as 'irreplaceable' the organization's ability to represent both the national and international interests. The evaluation noted that UNDP needs to incorporate more fully institutional understanding and knowledge into programme design and implementation, particularly at country level. UNDP still faces the challenge of ensuring that gender equality is fully integrated in electoral cycle management.

32. With national authorities, UNDP support resulted in increases in the percentage of elected women members in the National Assemblies of **Senegal** (22.7 to 42 per cent) and **Kenya** (10 to 21 per cent). **Ghana**, **Lesotho** and **Togo** increased their proportions of elected women by 2.2, 5 and 4.3 per cent respectively.

33. UNDP worked with legislatures in 49 countries to increase legislators' skills on outreach, consultation and hearings to tap technical expertise and hear citizen perspectives. Using a variety of participatory methods, UNDP supported the enactment of the new Constitution of **Tunisia**, and the first Youth Parliament in **State of Palestine**.

34. In 10 countries, UNDP and the Climate Parliament strengthened the capacities of parliamentarians to advocate for and monitor renewable energy sources, and to promote policy and regulatory reform to encourage renewable energy investment. In India, parliamentarians played a significant role in doubling the budget for renewable energy, influenced the re-establishment of incentives for wind power and increased funds for renewable energy. In **Morocco**, the value added tax on solar panels and other imported renewable energy equipment was reduced.

Justice, security and rule of law

35. In 2013, UNDP support resulted in over 4 million people across 72 countries having improved access to justice, 49 per cent of them women. UNDP support focused on legal awareness, legal counsel and dispute resolution mechanisms, legal aid provision, protection and removal of barriers to access. In **Liberia**, 1.2 million people now have improved access to justice, human rights and protection services following capacity development for county

attorneys, public lawyers, corrections officers and human rights monitors. Early results, achieved with the national Government and partners, already show an increase in the handling of sexual and gender-based violence cases. In **Kazakhstan**, over 980,000 persons from vulnerable groups benefitted from improved access to more cost-effective pre-judicial dispute settlement, as a result of UNDP work with the Supreme Court and non-governmental organizations to implement the Law on Mediation.

36. In 36 countries, UNDP provided advisory support to human rights commissions, ombudsmen services and justice ministries, including facilitation of civil society engagement; and supported countries to fulfil international commitments under the universal periodic review (UPR) process. In 2013, this resulted in the first national human rights action plans in **Namibia**, **Seychelles** and **Turkmenistan**; the first Law on Ensuring Equality in **Moldova**, which legislates against discrimination of minorities; and the first civil society UPR report in **Viet Nam**. In the **Europe and CIS region**, UNDP support to ombudsman services led to the re-accreditation of 'A' ratings in four countries by the International Coordinating Committee of National Human Rights Institutions.

37. In 2013, UNDP advanced the recommendations of the Global Commission on HIV and the Law through support to legal assessments and reviews in 65 countries and national dialogues in 49 countries, resulting in 17 countries undertaking legal reform processes to improve responses to HIV. This led to the **Dominican Republic**, **Guatemala**, **Honduras** and **Uruguay** and enacting new HIV-related legislation. **Rwanda** revised the penal code to remove criminalization of men who have sex with men.

Governance and public service delivery

38. UNDP provided support to 74 countries in 2013 to improve equitable public services, representing 6.6 per cent of total expenditure. In **Bangladesh**, 4 million people per month now have online access to public services and documents including land records and birth certificates. A national census found average wait times for these services were reduced from seven days to one hour and average travel was reduced from 35 kilometres to three. In **India** and **Brazil**, Governments and citizens are using publicly available national and subnational human development indicators supported by UNDP to inform public debates and decision-making. **Kenya**, **Liberia**, **Sierra Leone** and **United Republic of Tanzania** now have citizen feedback on the quality, accessibility and accountability of service delivery as part of the public service performance management systems.

39. UNDP anti-corruption initiatives in 16 countries show that promoting transparency and accountability in public service sectors such as health, education and water contributed to the removal of bottlenecks and enhanced service delivery. Of these 16 countries, 11 have scaled up anti-corruption initiatives. In **Armenia**, **China**, **Colombia**, **Costa Rica**, **Jordan**, **Kosovo**[1], **the Philippines** and **Serbia**, citizens can report corruption cases either online or through official reporting mechanisms made available through UNDP support.

C. Resilience-building

Overview

40. In 2013, UNDP worked with 97 countries to build resilience through initiatives representing 34 per cent of annual expenditures. UNDP contributed to resilience-building through disaster risk reduction; natural resource management; conflict prevention; justice, security and rule of law; participation in political processes and elections; and employment and livelihoods. Fifty-three per cent of UNDP interventions directly affected lives through support to implementation, 22 per cent through policy change and 25 per cent via awareness-raising. Across 49 countries, UNDP supported the implementation of over 400 strategies, action plans and action programmes as well as 514 pilot initiatives covering support to livelihoods, socioeconomic infrastructure rehabilitation, community-based preparedness for disaster risk reduction and building institutional capacities for conciliation and peace-building. Of these pilots, over 30 per cent were scaled up. In contributions to policy change, across 72 countries UNDP supported the development of 121 policies, 417 diagnostics, 358 national plans, 129 budgets and 97 legislative processes primarily aimed at improving diagnostic capacities and risk management including citizen security.

[1] All references to Kosovo in this report should be understood to be in the context of United Nations Security Council resolution 1244 (1999).

41. An analysis of UNDP performance shows that progress was strongest in disaster risk reduction (83 per cent), followed by elections in countries in special development situations (SDS) (65 per cent progress), and justice security and rule of law in SDS countries (57 per cent). These latter figures clearly reflect the challenges of effecting and sustaining development gains in complex and highly changeable environments. In support of awareness-raising, UNDP was most successful in expanding the inclusion of women and of economically disadvantaged groups, youth and displaced persons and refugees. This aligns with the 2013 evaluation of UNDP contributions to conflict-affected countries, which stated that "UNDP has achieved a measure of success in expanding opportunities for women to participate more fully in the emerging political and legal landscape of post-conflict countries," an improvement from the 2010 evaluation of UNDP contribution to disaster prevention and recovery, which observed that "a stronger commitment is needed... to advance gender equality in crisis-related programming."

Disaster risk reduction

42. In 2013, UNDP provided policy and technical support to 18 countries to strengthen preparedness and reduce the impact of disasters, especially climate-related disasters, on vulnerable communities, representing 3.6 per cent of annual expenditures.

43. UNDP contributions resulted in gender-sensitive disaster risk reduction and climate risk management plans in **Honduras, Iraq, Kyrgyzstan, Madagascar and Pakistan**. An additional 10 high-risk countries have prepared post-disaster recovery plans and three countries completed disaster risk assessments resulting for the first time in regional and local hazard maps. Implementation plans in risk, vulnerability studies and geographic information system maps and databases were developed along with gender-based management and recovery plans in the **British Virgin Islands**, **Guyana**, the **Dominican Republic**, **Jamaica** and **Trinidad and Tobago,** drawing on UNDP support to South-South cooperation and utilizing experience from **Cuba**.

Conflict prevention

44. UNDP contributions supported 14 countries in 2013 to establish national structures for dialogue, mediation and conflict management. As part of the peace talks in **Colombia** and as a result of UNDP support, proposals from 4,600 civil society organizations, mostly representing victims of the armed conflicts, were incorporated into agreements covering rural development and political participation. National capacities to address conflict management, negotiation and dialogue were strengthened through peer-learning support to 40 national facilitators and peacebuilders in the Arab States region. Similar work in **Bolivia**, **Chad**, **Ghana**, **Maldives**, **Mauritania**, **Nepal**, and **Yemen** led to a codification of best practices and lessons learned from the Global South on building mechanisms for insider mediation and infrastructures for peace.

Justice, security and rule of law

45. In 2013, UNDP increased access to justice and security services for vulnerable people across 19 countries, the majority of them SDS countries, representing 18.6 per cent of annual expenditures (59 per cent of which in Afghanistan). Through UNDP support via the Law and Order Trust Fund for **Afghanistan** (LOTFA), all 190 Ministry of Interior payroll stations were fully operative; and 150,000 Afghanistan National Police and prison guards received their salaries and remunerations through the Electronic Payroll System and alternative mobile-based payment. LOTFA also contributed to the institutional strengthening of community policing, recruitment and training of women officers. At year-end, there were 1,667 female police officers in various ranks, an increase of 150 per cent since the recruitment programme began. Despite these improvements, women still comprise less than 2 per cent of police personnel.

46. Survivors of sexual and gender-based violence (SBBV) and other at-risk women and girls gained access to security and justice services in **Afghanistan**, **Burundi**, **Democratic Republic of the Congo**, **Iraq**, **Sierra Leone** and **Somalia** through UNDP contributions. In Burundi, UNDP-supported, 'one-stop shop' hubs which provide legal and psychosocial services to SGBV survivors reviewed over 2,500 cases, an increase of 400 per cent over 2012. In Somalia, over 15,000 legal cases were supported.

47. In 2013, UNDP supported authorities in 10 countries to reduce armed violence and control small arms through the establishment of observatories to collect and analyze data on crime and violence, design local security plans and develop laws to regulate weapons. **El Salvador** has experienced decreasing violence since a gang truce in 2012, supported in part by UNDP contributions to actualize the truce through the design of local security plans and promotion of social reinsertion of at-risk youth in areas of gang prevalence.

Participation in political processes and elections

48. UNDP supported 18 countries in this area in 2013 under the crisis prevention and recovery focus area, demonstrating success rates of 70 and 53 per cent respectively in the extent to which contributions addressed women and youth.

49. An independent thematic evaluation in 2012 stated that the assistance of UNDP was instrumental to the holding of credible elections in post-conflict environments and sensitive political transitions. In **Afghanistan**, UNDP supported the Independent Election Commission to develop a gender strategy for elections. By December 2013, 34.5 per cent of the 3.4 million new voters were women.

50. Through UNDP contributions in **Sudan**, local governments adapted their plans to include service-delivery priorities of long-term refugees, ensuring that refugees now receive local government services. In **Lebanon** UNDP strengthened the coping ability of refugee host communities in 20 municipalities through regional development plans that provided improved irrigation, flood protection and better solid waste management;

Employment and livelihoods

51. In 2013, UNDP support generated over 3.2 million workdays in short-term labour in 14 countries, benefitting over 200,000 crisis-affected people, more than 40 per cent of them women. More than 50 per cent of those obtaining temporary employment went on to establish small businesses, thus helping to improve and stabilize incomes over the longer term. UNDP provided support to over 12,000 ex-combatants – 35 per cent of them women – across seven countries, enabling them to secure jobs and livelihoods to maintain stability and preserve peace.

52. UNDP supported the rehabilitation of community infrastructure in 14 countries including **Democratic Republic of the Congo**, **Haiti**, **Myanmar**, **Pakistan** and **Yemen**, benefiting over 3.3 million people by connecting communities to markets, improving access to services including water and education, and rehabilitating agricultural systems. UNDP supported governments in **Burundi**, **Nepal**, **Sierra Leone**, **Somalia**, **Yemen** and **Zimbabwe** to strengthen the capacities of national institutions to design and implement strategies to boost employment through better data collection mechanisms. In **Afghanistan**, UNDP contributions supported over 200,000 people – over 40 per cent of them women – with over 985,000 workdays in short-term labour in transportation and infrastructure projects, providing improved access to markets to 115,000 households, clean drinking water to over 161,000 households, and clean drinking water and irrigation systems that benefitted over 273,000 households.

V. South-South and triangular cooperation, partnerships, coordination and QCPR implementation

A. South-South and triangular cooperation

53. UNDP has been mapping all ongoing and planned South-South and triangular cooperation to provide a baseline and to inform strategy development in this critical area.

Figure 2.

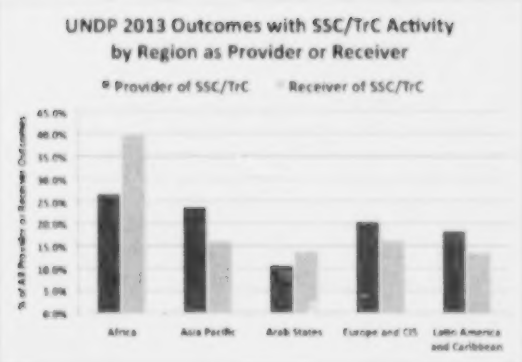
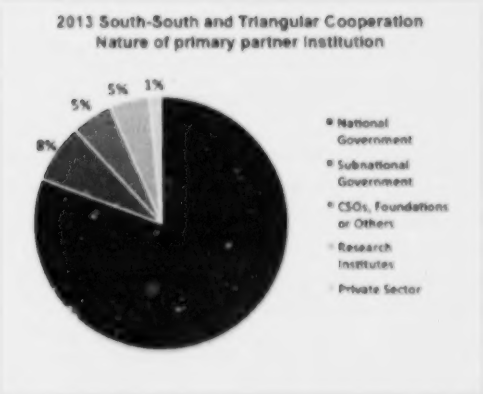


Figure 3.



54. In 2013, UNDP offices reported South-South and triangular cooperation activities in 747 country outcomes across 127 countries, an increase over the 460 outcomes across 125 countries reported in 2012. The primary partner was the national Government, as shown in figure 3 above. The distribution of partners suggests that to fully benefit from the range of expertise in the global South, UNDP should focus on expanding the range of partnerships to include the private sector and non-State actors. As shown below in figure 4 below, most South-South exchanges were between two or more countries, and of these, the largest percentage involved trading of expertise and experiences.

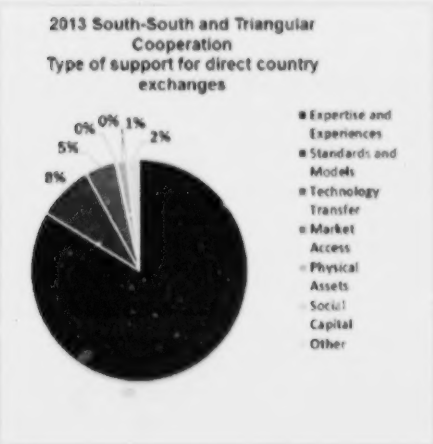


Figure 4.

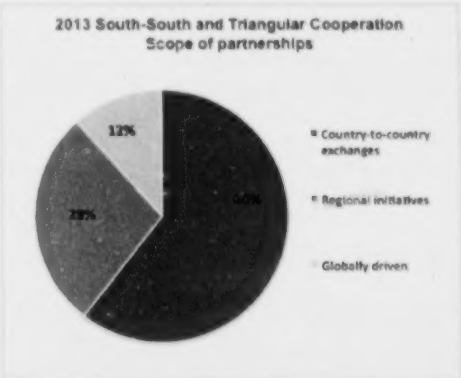


Figure 5.

55. The 2013 evaluation of UNDP South-South and triangular cooperation and the new Strategic Plan/programme alignment exercise have helped to draw the attention of country offices and headquarters to the need to move beyond ad hoc cooperation with a narrow range of partners in a short-term time frame, towards a more strategic approach. This strategy, currently under development, will help UNDP to take full advantage of the transformation in growth and proliferation in actors. It will respond to the challenges highlighted in the evaluation and to the findings arising from the UNDP analysis of current work.

B. Partnerships

56. Opened in 2011 in the Republic of Korea, the UNDP Seoul Policy Centre launched an initiative on the common challenges of middle-income countries. It identified development challenges common to this diverse group and recommendations for avoiding the 'middle-income trap' and strengthening South-South cooperation.

57. In its first year of full operation, the Global Centre for Public Service Excellence in Singapore investigated trends in public sector reform and innovative thinking on public service, focusing particularly on strengthening capabilities in foresight and planning for developing countries; motivating public officials through design thinking; and the role of public service in reducing urban inequality.

58. In June 2013, UNDP, with the Government of Brazil, established the World Centre for Sustainable Development (RIO+Centre) with the aim of generating policies and practices for sustainable and equitable development. The RIO+Centre supported the Brazilian Government in engaging with civil society on the sustainable development goals, highlighting issues of inequality and exclusion.

59. In 2013, UNDP continued to build partnerships with the private sector and received $19.11 million in financial contributions from private sector partners. These partnerships focused largely on extractive industries, telecommunications and value-chain development. For example in China, the UNDP partnership with private sector companies provided 2 million members of ethnic minority communities with alternative livelihoods, employment and income-generation opportunities by broadening access to modern markets. As a result of this partnership, China adopted the UNDP methodology on setting up community-based organizations.

60. Between April and December 2013, and against the backdrop of the post-2015 global conversation, UNDP engaged with 300 foundations globally to gather their perspectives and discuss possible roles for philanthropy in global development efforts beyond 2015.

61. In 2013, UNDP supported joint programming activities through: (a) its role in fund design and administration of joint programmes and multi-donor trust funds on behalf of the United Nations system and national Governments; and (b) through its programme implementation role as a participating United Nations organization. The total value of contributions received by UNDP for multi-donor trust funds was $736 million (2012: $788 million), including $27 million for national funds such as the Mali Stabilization Fund. The decrease in overall contributions reflects a decline in funding for 'Delivering as One' and global transition funds and an increase for climate change and global development funds. The net value of funds transferred by the Multi-Partner Trust Fund Office, in its role as administrative agent for all participating organizations, was $688 million (2012: $827 million). This includes $270 million transferred to UNDP for UNDP programmes (2012: $279 million).

C. Coordination of the United Nations development system and QCPR implementation

62. In 2013, the United Nations Development Group (UNDG) focused on aligning the new midterm priorities and work plans to the QCPR cycle. The funds and programmes worked with the United Nations Department of Economic and Social Affairs to establish a common QCPR monitoring and reporting framework. UNDP was a key participant and ensured that the new Strategic Plan was fully aligned with the QCPR. As part of the new plan, UNDP aims to strengthen QCPR reporting, further integrating it into the annual report in line with Economic and Social Council resolution 2013/5.

63. In 2013, UNDP, together with other UNDG partners, revised the resident coordinator job description to reflect the empowered role foreseen by the QCPR. The revisions allowed for a better delineation of the resident coordinator function relative to the UNDP resident representative role, formalized through signed letters of delegation-of-authority between resident representatives and country directors, as per the Management and Accountability System.

64. In 2013 an inter-agency review process led to the selection of a new company to run the Resident Coordinator Assessment Centre, the mechanism used to determine candidates' suitability for the increasingly complex role of resident coordinator. The Centre will be re-launched in 2014 to address the QCPR call for "strengthening the Resident Coordinator Assessment Centre as a tool to develop a pool of qualified candidates with the required skills and profiles".

Table 3. Percentage of resident coordinators according to gender and origin	2007	2009	2012	2013
Women	29%	36%	39%	39%
From the South	49%	51%	45%	46%
Non-UNDP	28%	33%	39%	39%

65. As manager of the resident coordinator system, UNDP worked closely with UNDG partners to broker a landmark cost-sharing agreement which took effect in January 2014. The agreement ensures that ownership of the system is inclusive and mutually accountable, and that the system has the minimum-required resources to perform its core coordination functions. The agreement estimates the annual cost of coordination at $121 million, with UNDP paying a fixed-line of $88 million and the rest of the costs shared among participating agencies, including UNDP. UNDP currently pays over 77 per cent of the total cost of United Nations coordination.

66. UNDP has been engaged in developing the Standard Operating Procedures (SOPs) for countries wishing to adopt 'Delivering as One'. The SOPs aim to shift the focus from planning to delivering results together. A core UNDP commitment is to ensure that the SOPs are complemented by a monitoring and evaluation framework which can assess results and value for money.

67. Guided by the QCPR and in close collaboration with other agencies, UNDP co-led the work on the development and operationalization of the Business Operations Strategy – currently being piloted in 11 countries - as part of the SOPs. An additional project was initiated under UNDG and the High- Level Committee on Management (HLCM) in Brazil to establish a common business operations centre. The recent launch by HLCM of harmonized and simplified vendor registration has increased access to United Nations procurement, increasing vendor competition and reducing procurement costs. 'Delivering as One' countries are now tapping into the value of joint procurement teams and the use of joint long-term agreements (LTAs), resulting in cost savings and better economies of scale. A common treasury project on foreign exchange services is being implemented and is expected to deliver savings of $22.7 million for participating agencies with a minimum of $1.2 million of annual savings thereafter.

68. In response to the QCPR, UNDP, together with UNFPA and UNICEF, had modified its country programme document, which now can be presented to the Executive Board in line with national timeframes rather than at a fixed session. In the first quarter of 2014, UNDP introduced strengthened programme quality standards and a strengthened headquarters appraisal body to provide additional quality assurance for programmes.

69. In response to the QCPR requests to strengthen the results culture and management and to support the new Strategic Plan, UNDP has integrated its planning, resourcing and monitoring systems. The integrated system supports better programme management, improves management's access to data and increases transparency and accountability. The first phases of the integrated system were launched in the first quarter of 2014. Additional phases will follow throughout 2014, providing further monitoring and reporting components and other functionalities.

70. Together with UNFPA and UNICEF, UNDP is reviewing and testing methods of real-time monitoring as a way to make programmes and projects more inclusive, and obtain data from new sources at intervals that can inform strategy. UNDP is investing in a better understanding of the normative principles and their application in programming as requested by the QCPR. UNDP has led the conceptualization of the results-group approach which encourages United Nations country teams to use national systems and to design, monitor and measure joint contributions to national outcomes.

VI. Transforming institutional effectiveness

71. At the second regular session of 2013, the Executive Board approved for the first time an integrated budget, in line with the QCPR directives on aligning programming and resources. Continuing efforts to ensure high-quality financial management resulted in the clean audit opinion from the United Nations Board of Auditors on the UNDP 2012 financial statements, the first to comply with the International Public Sector Accounting Standards.

72. The new policy on LTAs offers increased flexibility and over 250 LTAs from other United Nations agencies are now available to UNDP offices. E-Tendering, now expanded to several regions, has improved transparency and shortened processing times, and is expected to generate recurring annual savings of $ 500,000. Going forward, transactional services will increasingly be provided through global shared service centres – already established in Kuala Lumpur (finance) and Copenhagen (human resources) – as well as regional hubs.

73. As part of its transparency and openness agenda and in line with requirements of the IATI, UNDP significantly expanded the set of data and information about its activities published at its portal, http://open.undp.org. In 2013, UNDP increased its ranking from tenth to fourth place in the *Publish What You Fund* Aid Transparency Index.

74. To ensure that the organization is fit for purpose to deliver on the Strategic Plan, in 2013 UNDP began a major organizational change process which is expected to take 18 months to complete. The changes aim to ensure that country offices are better supported for programme implementation and that a greater proportion of expenditure is directed towards programmes. Moving the organization's policy and programme advisory and country support functions from headquarters to the regional centres by late 2014 is expected to yield more focused country support. Other foreseen changes include the consolidation of all policy and programme support functions in a new Bureau for Policy and Programme Support. A stand-alone Crisis Response Unit will be retained at headquarters. More operational transactions such as human resources, finance, procurement and information technology will move to global shared service centres to achieve greater operational efficiencies. All trust fund administration will be consolidated into a fund administration platform, allowing bureaux to focus on core competencies and creating more efficiency and savings. Over time, the management: staff ratio will shift to a healthier balance to ensure better career paths for staff. The Executive Board will continue to receive regular updates on the progress of change implementation.

VII. Financial results

A. Income

75. The midterm review of the Strategic Plan contains the revised integrated financial resources framework. Contributions to regular and other resources in 2013 were $4.7 billion, below the $4.8 billion estimate. Contributions to regular resources increased, from $0.846 billion in 2012 to $0.896 billion in 2013, below the $1.1 billion target.

76. Contributions to other resources reached $3.8 billion in 2013, compared with $3.7 billion envisaged in the Strategic Plan and $3.79 billion contributed in 2012. Earmarked contributions from bilateral donors decreased, from $1.33 billion in 2012 to $1.26 billion in 2013. Earmarked contributions from multilateral partners and the European Commission decreased, from $1.53 billion in 2012 to $1.4 billion in 2013. Local resources provided by programme countries increased, from $0.92 billion in 2012 to $1.14 billion in 2013.

B. Expenditure

77. Expenditures for 2008-2011 are presented according to the classification of activities and related costs for the 2010-2011 biennium endorsed by the Executive Board in decision 2009/22. Expenditures for 2012-2013 are presented in line with the classification of activities and related costs per Executive Board decision 2010/32. Total provisional expenditure for development activities in 2013 amounted to $4.49 billion, of which $0.57 billion was funded from regular resources, $3 billion from other donor resources and $0.92 billion from local resources. Total expenditure in United Nations development coordination, management and special purpose categories reached $0.12 billion, $0.45 billion and $0.05 billion, respectively. For 2012-2013, the ratio of expenditure related to management activities over total expenditure was 8.66 per cent – equal to the ratio derived from the 2012-2013 Strategic Plan estimates classified per decision 2010/32.

Table 4. Expenditure by category of funding

(In billions of United States dollars)

Category of expenditure	Strategic plan estimates 2008-2011	Cumulative expenditures 2008-2011	Introduction of harmonized cost classification categories*	Strategic plan estimates* 2012-2013	Expenditures* 2012	Expenditures* 2013	Total expenditures* 2012-2013
	(a)	*(b)*		*(c)*	*(d)*	*(e)*	*(f)*
Development	$18.50	$17.83		$10.33	$4.53	$4.49	$9.02
United Nations development	$0.37	$0.60		$0.26	$0.12	$0.12	$0.24
Management	$1.50	$1.55		$1.02	$0.44	$0.45	$0.89
Special purpose	$0.39	$0.37		$0.12	$0.08	$0.05	$0.13

*2012-2013 estimates and 2012-2-13 expenditures are classified in line with the cost classifications requested in decision 2010/32, as presented in the resource plan contained in DP/2011/34

Table 5. Management expenditure ratio

(In billions of United States dollars)

Category	Strategic plan estimates 2008-2011	Cumulative expenditures 2008-2011	Introduction of harmonized cost classification categories*	Strategic plan estimates* 2012-2013	Expenditures* 2012-2013
Management expenses (a)	$1.50	$1.55		$1.02	$0.89
Total expenses (b)	$20.76	$20.36		$11.73	$10.28
Management expenditure ratio (a/b)	7.23%	7.61%		8.66%	8.66%

*2012-2013 estimates and 2012-2013 expenditures are classified in line with the cost classifications requested in decision 2010/32, as presented in the resource plan contained in DP/2011/34.